

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 3461 – SB 3405

April 11, 2012

**SUMMARY OF AMENDMENT (015221):** Removes liability of any employee or agent of an employer who has been found to have committed discriminatory practices as specified in Tenn. Code Ann. § 4-21-301. Removes current violation which prohibits any person or persons from aiding, abetting, inciting, compelling, or commanding another person to engage in discriminatory practices as specified in Tenn. Code Ann. § 4-21-301. Amendment (015221) changes the effective date from the date of passage to July 1, 2012.

FISCAL IMPACT OF ORIGINAL BILL:

Decrease State Revenue - \$40,200/Human Rights Commission

Decrease Federal Expenditures - \$40,200

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

**Unchanged from the original fiscal note.**

Assumptions applied to amendment:

- According to the Human Rights Commission (HRC), this will reduce the number of cases the Commission will need to investigate.
- According to HRC, the proposed legislation will subsequently result in a reduction in the amount of federal funds currently received from the Equal Employment Opportunity Commission (EEOC) and the U.S. Housing and Urban Development (HUD).
- Such funds are received as reimbursements for either retaliation claims or housing claims.
- In FY10-11, a total of \$18,200 in federal funding was received from HUD for investigating housing claims. HRC estimates that it would lose all of these funds.
- HRC did not track the number of retaliation cases handled in FY10-11.
- According to HRC, the number of retaliation cases that would be reduced is unknown.
- On average, HRC receives \$75,700 in federal funds from EEOC for retaliation claims it handles.

- According to HRC, an exact decrease in the amount of federal funding due to a reduction in retaliation claims cannot be determined. The Commission estimates that such reduction will be at least 29 percent, or approximately \$21,953 ( $\$75,700 \times 29.0\%$ ) in federal funds.
- The decrease in federal expenditures and the corresponding decrease in state revenue is estimated to be \$40,153 ( $\$18,200 + \$21,953$ ).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'Lucian D. Geise', written in a cursive style.

Lucian D. Geise, Executive Director

/jdb